

State of Alaska FY2008 Governor's Operating Budget

Department of Labor and Workforce Development Workers Compensation Benefits Guaranty Fund Component Budget Summary

Component: Workers Compensation Benefits Guaranty Fund

Contribution to Department's Mission

The Workers' Compensation Benefits Guaranty Fund component contributes to the department's mission by paying benefits to workers who have been injured while working for an employer that was not in compliance with the workers' compensation act and fails to pay benefits owed the injured worker.

Core Services

The Benefits Guaranty Fund is designed to pay for the medical and weekly disability benefits for workers who were injured on the job for an employer that was not in compliance with the workers' compensation act. Payment of medical benefits allows workers to receive prompt medical care allowing them to recover and return to work.

FY2008 Resources Allocated to Achieve Results

FY2008 Component Budget: \$50,000

Personnel:

Full time	0
Part time	0
Total	0

Key Component Challenges

This program was established by the Legislature in late 2005. No penalties were collected and deposited into the fund until 2006. As funds become available, the division needs to contract for claims administration services. Since it is possible the funds needed to pay benefits may exceed the amount available in the Fund, procedures need to be developed to ensure a fair dispersal of the available funds.

Significant Changes in Results to be Delivered in FY2008

Development of procedures to pay benefits to uninsured workers.

Major Component Accomplishments in 2006

The fund was established, budget appropriation was obtained and the first civil penalties were assessed and collected.

Statutory and Regulatory Authority

AS 23.30.082

Workers' Compensation Benefits Guaranty Fund

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Workers Compensation Benefits Guaranty Fund Component Financial Summary

All dollars shown in thousands

	FY2006 Actuals	FY2007 Management Plan	FY2008 Governor
Non-Formula Program:			
Component Expenditures:			
71000 Personal Services	0.0	0.0	0.0
72000 Travel	0.0	0.0	0.0
73000 Services	0.0	0.0	0.0
74000 Commodities	0.0	0.0	0.0
75000 Capital Outlay	0.0	0.0	0.0
77000 Grants, Benefits	0.0	50.0	50.0
78000 Miscellaneous	0.0	0.0	0.0
Expenditure Totals	0.0	50.0	50.0
Funding Sources:			
1203 Workers' Compensation Benefits Guaranty Fund	0.0	50.0	50.0
Funding Totals	0.0	50.0	50.0

Estimated Revenue Collections

Description	Master Revenue Account	FY2006 Actuals	FY2007 Manageme nt Plan	FY2008 Governor
Unrestricted Revenues				
Worker's Compensation Benefits Guarantee	51491	0.0	50.0	50.0
Unrestricted Total		0.0	50.0	50.0
Restricted Revenues				
None.		0.0	0.0	0.0
Restricted Total		0.0	0.0	0.0
Total Estimated Revenues		0.0	50.0	50.0

**Summary of Component Budget Changes
From FY2007 Management Plan to FY2008 Governor***All dollars shown in thousands*

	<u>General Funds</u>	<u>Federal Funds</u>	<u>Other Funds</u>	<u>Total Funds</u>
FY2007 Management Plan	0.0	0.0	50.0	50.0
FY2008 Governor	0.0	0.0	50.0	50.0